

LEGISLATURE OF NEBRASKA
NINETY-NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 353

Introduced by Preister, 5

Read first time January 11, 2005

Committee: Revenue

A BILL

1 FOR AN ACT relating to community colleges; to amend section
2 85-1517, Reissue Revised Statutes of Nebraska, and
3 section 77-3442, Revised Statutes Supplement, 2004; to
4 change property tax levy provisions; to repeal the
5 original sections; and to declare an emergency.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-3442, Revised Statutes Supplement,
2 2004, is amended to read:

3 77-3442. (1) Property tax levies for the support of
4 local governments for fiscal years beginning on or after July 1,
5 1998, shall be limited to the amounts set forth in this section
6 except as provided in section 77-3444.

7 (2) (a) Except as provided in subdivision (2) (b) of this
8 section, school districts and multiple-district school systems may
9 levy a maximum levy of (i) one dollar and five cents per one
10 hundred dollars of taxable valuation of property subject to the
11 levy for fiscal years 2003-04 through 2007-08 and (ii) one dollar
12 per one hundred dollars of taxable valuation of property subject to
13 the levy for all fiscal years except fiscal years 2003-04 through
14 2007-08. Excluded from this limitation are amounts levied to pay
15 for sums agreed to be paid by a school district to certificated
16 employees in exchange for a voluntary termination of employment and
17 amounts levied to pay for special building funds and sinking funds
18 established for projects commenced prior to April 1, 1996, for
19 construction, expansion, or alteration of school district
20 buildings. For purposes of this subsection, commenced means any
21 action taken by the school board on the record which commits the
22 board to expend district funds in planning, constructing, or
23 carrying out the project.

24 (b) Federal aid school districts may exceed the maximum
25 levy prescribed by subdivision (2) (a) of this section only to the
26 extent necessary to qualify to receive federal aid pursuant to
27 Title VIII of Public Law 103-382, as such title existed on
28 September 1, 2001. For purposes of this subdivision, federal aid

1 school district means any school district which receives ten
2 percent or more of the revenue for its general fund budget from
3 federal government sources pursuant to Title VIII of Public Law
4 103-382, as such title existed on September 1, 2001.

5 (c) For school fiscal year 2002-03 through school fiscal
6 year 2007-08, school districts and multiple-district school systems
7 may, upon a three-fourths majority vote of the school board of the
8 school district, the board of the unified system, or the school
9 board of the high school district of the multiple-district school
10 system that is not a unified system, exceed the maximum levy
11 prescribed by subdivision (2) (a) of this section in an amount equal
12 to the net difference between the amount of state aid that would
13 have been provided under the Tax Equity and Educational
14 Opportunities Support Act without the temporary aid adjustment
15 factor and if subdivision (3) of section 79-1007.02 and subsections
16 (2) and (5) of section 79-1008.01 had applied for the ensuing
17 school fiscal year for the school district or multiple-district
18 school system and the amount provided with the temporary aid
19 adjustment factor and if subdivision (4) of section 79-1007.02 and
20 subsections (3) and (6) of section 79-1008.01 had applied. The
21 State Department of Education shall certify to the school districts
22 and multiple-district school systems the amount by which the
23 maximum levy may be exceeded for the next school fiscal year
24 pursuant to subdivision (2) (c) of this section on or before
25 February 15 for school fiscal years 2004-05 through 2007-08.

26 (3) Community colleges may levy a maximum levy on each
27 one hundred dollars of taxable property subject to the levy of
28 seven cents for fiscal year 2000-01 through fiscal year 2004-05 and

1 eight cents for fiscal year 2005-06 and each fiscal year
2 thereafter, plus amounts allowed under subsection (7) of section
3 85-1536.01.

4 (4) Natural resources districts may levy a maximum levy
5 of four and one-half cents per one hundred dollars of taxable
6 valuation of property subject to the levy. Natural resources
7 districts shall also have the power and authority to levy a tax
8 equal to the dollar amount by which their restricted funds budgeted
9 to administer and implement ground water management activities and
10 integrated management activities under the Nebraska Ground Water
11 Management and Protection Act exceed their restricted funds
12 budgeted to administer and implement ground water management
13 activities and integrated management activities for FY2003-04, not
14 to exceed one cent on each one hundred dollars of taxable valuation
15 annually on all of the taxable property within the district.

16 (5) Educational service units may levy a maximum levy of
17 one and one-half cents per one hundred dollars of taxable valuation
18 of property subject to the levy.

19 (6) (a) Incorporated cities and villages which are not
20 within the boundaries of a municipal county may levy a maximum levy
21 of forty-five cents per one hundred dollars of taxable valuation of
22 property subject to the levy plus an additional five cents per one
23 hundred dollars of taxable valuation to provide financing for the
24 municipality's share of revenue required under an agreement or
25 agreements executed pursuant to the Interlocal Cooperation Act or
26 the Joint Public Agency Act. The maximum levy shall include
27 amounts levied to pay for sums to support a library pursuant to
28 section 51-201, museum pursuant to section 51-501, visiting

1 community nurse, home health nurse, or home health agency pursuant
2 to section 71-1637, or statue, memorial, or monument pursuant to
3 section 80-202.

4 (b) Incorporated cities and villages which are within the
5 boundaries of a municipal county may levy a maximum levy of ninety
6 cents per one hundred dollars of taxable valuation of property
7 subject to the levy. The maximum levy shall include amounts paid
8 to a municipal county for county services, amounts levied to pay
9 for sums to support a library pursuant to section 51-201, a museum
10 pursuant to section 51-501, a visiting community nurse, home health
11 nurse, or home health agency pursuant to section 71-1637, or a
12 statue, memorial, or monument pursuant to section 80-202.

13 (7) Sanitary and improvement districts which have been in
14 existence for more than five years may levy a maximum levy of forty
15 cents per one hundred dollars of taxable valuation of property
16 subject to the levy, and sanitary and improvement districts which
17 have been in existence for five years or less shall not have a
18 maximum levy. Unconsolidated sanitary and improvement districts
19 which have been in existence for more than five years and are
20 located in a municipal county may levy a maximum of eighty-five
21 cents per hundred dollars of taxable valuation of property subject
22 to the levy.

23 (8) Counties may levy or authorize a maximum levy of
24 fifty cents per one hundred dollars of taxable valuation of
25 property subject to the levy, except that five cents per one
26 hundred dollars of taxable valuation of property subject to the
27 levy may only be levied to provide financing for the county's share
28 of revenue required under an agreement or agreements executed

1 pursuant to the Interlocal Cooperation Act or the Joint Public
2 Agency Act. The maximum levy shall include amounts levied to pay
3 for sums to support a library pursuant to section 51-201 or museum
4 pursuant to section 51-501. The county may allocate up to fifteen
5 cents of its authority to other political subdivisions subject to
6 allocation of property tax authority under subsection (1) of
7 section 77-3443 and not specifically covered in this section to
8 levy taxes as authorized by law which do not collectively exceed
9 fifteen cents per one hundred dollars of taxable valuation on any
10 parcel or item of taxable property. The county may allocate to one
11 or more other political subdivisions subject to allocation of
12 property tax authority by the county under subsection (1) of
13 section 77-3443 some or all of the county's five cents per one
14 hundred dollars of valuation authorized for support of an agreement
15 or agreements to be levied by the political subdivision for the
16 purpose of supporting that political subdivision's share of revenue
17 required under an agreement or agreements executed pursuant to the
18 Interlocal Cooperation Act or the Joint Public Agency Act. If an
19 allocation by a county would cause another county to exceed its
20 levy authority under this section, the second county may exceed the
21 levy authority in order to levy the amount allocated.

22 (9) Municipal counties may levy or authorize a maximum
23 levy of one dollar per one hundred dollars of taxable valuation of
24 property subject to the levy. The municipal county may allocate
25 levy authority to any political subdivision or entity subject to
26 allocation under section 77-3443.

27 (10) Property tax levies for judgments, except judgments
28 or orders from the Commission of Industrial Relations, obtained

1 against a political subdivision which require or obligate a
2 political subdivision to pay such judgment, to the extent such
3 judgment is not paid by liability insurance coverage of a political
4 subdivision, for preexisting lease-purchase contracts approved
5 prior to July 1, 1998, for bonded indebtedness approved according
6 to law and secured by a levy on property, and for payments by a
7 public airport to retire interest-free loans from the Department of
8 Aeronautics in lieu of bonded indebtedness at a lower cost to the
9 public airport are not included in the levy limits established by
10 this section.

11 (11) The limitations on tax levies provided in this
12 section are to include all other general or special levies provided
13 by law. Notwithstanding other provisions of law, the only
14 exceptions to the limits in this section are those provided by or
15 authorized by sections 77-3442 to 77-3444.

16 (12) Tax levies in excess of the limitations in this
17 section shall be considered unauthorized levies under section
18 77-1606 unless approved under section 77-3444.

19 (13) For purposes of sections 77-3442 to 77-3444,
20 political subdivision means a political subdivision of this state
21 and a county agricultural society.

22 Sec. 2. Section 85-1517, Reissue Revised Statutes of
23 Nebraska, is amended to read:

24 85-1517. (1) The board may certify to the county board
25 of equalization of each county within the community college area a
26 tax levy not to exceed seven cents for fiscal year 1998-99 and
27 fiscal year 1999-00 and six cents for fiscal year 2000-01 and all
28 subsequent fiscal years, on each one hundred dollars on the taxable

1 valuation of all property subject to the levy within the community
2 college area, uniform throughout such area, for the purpose of
3 supporting operating expenditures of the community college area.

4 (2) (a) In addition to the levy provided in subsection (1)
5 of this section, the board may certify to the county board of
6 equalization of each county within the community college area a tax
7 levy of not to exceed one cent through fiscal year 2004-05 and two
8 cents for fiscal year 2005-06 and all subsequent fiscal years, on
9 each one hundred dollars on the taxable valuation of all property
10 within the community college area, uniform throughout such area,
11 for the purpose of establishing a capital improvement fund and bond
12 sinking fund as provided in section 85-1515.

13 (b) In addition to the levy provided in subdivision (a)
14 of this subsection, the board may also certify to the county board
15 of equalization of each county within the community college area a
16 tax levy on each one hundred dollars on the taxable valuation of
17 all property within the community college area, uniform throughout
18 such area, in the amount which will produce funds only in the
19 amount necessary to pay for funding accessibility barrier
20 elimination project costs and abatement of environmental hazards as
21 such terms are defined in section 79-10,110. Such tax levy shall
22 not be so certified unless approved by an affirmative vote of a
23 majority of the board taken at a public meeting of the board
24 following notice and a hearing. The board shall give at least
25 seven days' notice of such public hearing and shall publish such
26 notice once in a newspaper of general circulation in the area to be
27 affected by the increase.

28 (3) The levy provided by subdivision (2) (a) of this

1 section may be exceeded by that amount necessary to retire the
2 general obligation bonds assumed by the community college area or
3 issued pursuant to section 85-1515 according to the terms of such
4 bonds or for any obligation pursuant to section 85-1535 entered
5 into prior to January 1, 1997.

6 (4) Such tax shall be levied and assessed in the same
7 manner as other property taxes and entered on the books of the
8 county treasurer. The proceeds of such tax, as collected, shall be
9 remitted to the treasurer of the board not less frequently than
10 once each month.

11 Sec. 3. Original section 85-1517, Reissue Revised
12 Statutes of Nebraska, and section 77-3442, Revised Statutes
13 Supplement, 2004, are repealed.

14 Sec. 4. Since an emergency exists, this act takes effect
15 when passed and approved according to law.